

## **ABSTRACT OF THE DISCLOSURE**

The invention relates to estimating the global motion between frames of a motion-compensated inter-frame encoded video sequence, directly from the motion vectors encoded within the frames. For any particular frame, the motion vectors are first decoded, and a finite number of sets of vectors are selected. An affine or other geometrical transform is then used to generate a motion estimation for each set, and then the least median squared error present in each motion estimation is calculated for each estimation. The motion estimation with the smallest least median squared error is then selected as being representative of the global motion in the image of the frame. A panoramic image generating method and system which makes uses of the global motion estimations thus obtained is also described